

AUCTION DIGEST

Newsletter of the Virginia Auctioneers Board

Department of Professional &
Occupational Regulation

Volume 3 - Winter 2005/2006

BOARD INFORMATION

Board Members:

J. Hartwell Perkinson, Chair
Mark T. Motley, Vice-Chair
George T. Garten
E. Joanne Wang *
Amy Pence *
* *Public Members*

Board Staff:

Mark N. Courtney—
Executive Director
Marian H. Brooks—
Board Administrator
Michelle Gowen—
Administrative Assistant
David Dehetre—
Office Manager

Licensing Specialists

Joan B. Leonard
Toni H. Spencer
LaKesha Hobson

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Winter 2005/2006 AUCTION DIGEST

We are pleased to bring you the third issue of **AUCTION DIGEST**! This issue of **AUCTION DIGEST** includes information about the continuing education bill that was passed in the 2004 General Assembly session, which has generated a great deal of interest from our licensees.

In addition, we would like to introduce you to our new Administrative Assistant, Michelle Gowen. Michelle will be assisting Marian Brooks and Mark Courtney. It is with great regret that we announce our Office Manager, Trisha L. Henshaw is no longer with the Department. She will be sorely missed. Finally, we will include information regarding examination statistics, disciplinary action, and contact information just as we do in every issue.

We hope you found the first and second issues of **AUCTION DIGEST** helpful and informative, and hope to continue that through future issues. Once again, thank you for taking the time to read **AUCTION**

DIGEST and, as always, we appreciate any suggestions or comments you can provide to help make this newsletter a useful and informative resource. ❖



Bill Passed Requiring Continuing Education for Auctioneers

House Bill 1022 was passed by the 2004 session of the General Assembly and subsequently signed into law by the Governor. This bill amends the Code of Virginia by adding § 54.1-603.1, which requires the Auctioneers Board to establish continuing education requirements for licensed auctioneers. Under this bill, the Board shall require at least 6 hours of Board-approved continuing education courses for the renewal or reinstatement of an individual's license. In addition, the bill provides that any continuing education courses completed by an auctioneer pursuant to a requirement of the Certified Auctioneer's Institute or by participation in the educational programs sponsored by the National Auctioneer's Association or Virginia Auctioneer's Association shall satisfy the continuing education requirement.

In order to implement this change, the Board must modify its existing regulations to include the continuing education requirements. The regulatory review process typically takes 18 to 24 months. The Board began the regulatory review process by authorizing the filing of the Notice of Intended Regulatory Action at its July 8, 2004, meeting. The next step was a 30-day public comment period, which ended October 6, 2004.

At the October 7, 2004, Board meeting, the Board adopted proposed regulations. The proposed regulations will next undergo executive branch review. After approvals are received from the necessary bodies within the executive branch, the proposed regulations will be filed for publication in the Virginia Register of Regulations. A 60-day public comment period will begin, and a public hearing for the Board to receive comments on the proposed regulations will be held during the comment period.

After the public comment period, comments received will be summarized and a response prepared and

adopted by the Board. If the Board deems it necessary, it may make changes to the regulations at this time. After any necessary changes are made, the regulations are adopted as final, undergo executive branch review again, and a 30-day comment period is held. At the end of the comment period, the regulations are final.

Anyone can view recent regulatory action by the Board by going to www.townhall.virginia.gov. In addition, during the public comment period, you may provide your comments by clicking the appropriate icon. Further, all Board meetings are noticed on this site, and minutes are available on this site for all board meetings. You may also register with the Town Hall to receive an e-mail notification as the regulations proceed through the regulatory review process, as well as notification when meetings are noticed and minutes are posted. ❖

The Virginia Regulatory
Town Hall



Did You Know . . .

The live auction industry sales hit a record \$217.2 billion pace in 2004. Tracking of the live auction industry's growth is conducted by global market research firm MORPACE International on behalf of the National Auctioneers Association. Real Estate was proven to be the most active live-auction category in 2004. There was an increase of 14.7 percent over the last two years!❖

Meet the New Board Member

The Virginia Auctioneers Board consists of five members, three licensed auctioneers and two public members, who are appointed by the Governor. Since the last issue of **Auction Digest**, there has been a new addition to the Board.

George "Tommy" Garten grew up in Covington, Virginia, where his father George E. Garten owned a television and electronics store on the corner of Monroe & Locust Streets. The store Tommy's father owned is now the current location for Greenway's Real Estate & Auction Company.



Tommy graduated from Covington High School and attended Ferrum College in Ferrum, Virginia. He transferred from Ferrum to James Madison University in Harrisonburg, Virginia, where he graduated with a Bachelor in Business Administration. Tommy's father purchased Greenway's Real Estate & Auction Company from Ralph Greenway in 1960, and Tommy worked along side his father as his partner until his death in 1986. Tommy met and married Mary Beth Putnum of Clifton Forge and has two sons George Matthew Garten, also known as Matt, and Robert Christopher Garten, also known as Dizzy.

Tommy began his career as an Auctioneer in 1970 after obtaining his training from Reppert School of Auctioneering. Tommy is currently the owner, broker, and auctioneer for Greenway's Real Estate & Auction Company with locations in Covington, Virginia, and Lewisburg, West Virginia. Tommy also serves on the Board of Directors for First National Bank and is on the Board of Trustees for Ferrum College. Tommy also owns and manages Allegheny Motors and Sign Express, of Covington, as well as several other businesses and real estate in the area.

The Board and staff would like to thank Mr. Updike for his service on the Board. ❖

MOVING? Please notify the Board of your new address.

Name:

License Number:

Old Address:

New Address:

(P. O. Box must be accompanied by
your physical address)

Signature:

Date:

Mail To:
Auctioneers Board
3600 West Board Street
Richmond, VA 23230-4917

Staff for Auctioneers Board

We would like to take this time to introduce our new staff members as well as our more seasoned staff members.

David Dehetre is a new addition to the Section and is the Office Manager for the Board. Toni H. Spencer has been a Licensing Specialist with the Board office since Summer 2002. Joan B. Leonard has been a Licensing Specialist with the Board office since Fall 2001. LaKeshia Hobson is also a new addition to the Section as a Licensing Specialist. Marian H. Brooks has been with the Department for over 30 years in various capacities. She is the Board Administrator for the Auctioneers Board. Mark N. Courtney has been with the Board office since 1994 and is the Executive Director of the Auctioneers Board. He is responsible for overseeing all of the boards handled within the office. Michelle Gowen has been with the Board office since early 2005. Ms. Gowen is the Administrative Assistant for the Board office. ♦

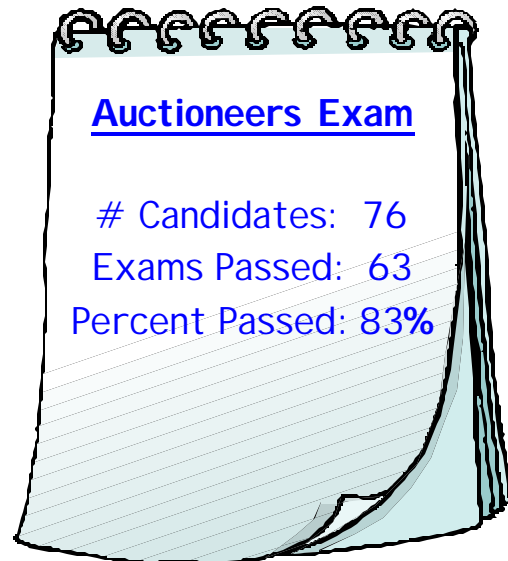


On-Line Renewals

As discussed in the last issue of **Auction Digest**, regulants of the Board can now make renewal payments on-line. You may gain access to the on-line renewal site via a PIN that is provided on the renewal notice, which is mailed to you approximately 45 days prior to the expiration date on your license. Please be aware that the **ONLY** way to obtain a PIN number is on your renewal notice; therefore, if you do not receive, or misplace, your renewal notice you cannot obtain your PIN number from the Board office. In this instance, you would need to pay the renewal fee by mail. Also, please remember that your license will not be renewed until the appropriate bond form or continuation certificate is received in the Board office. It is your responsibility to ensure that the bond form is received by the Board office in time for renewal. ♦

Examination Statistics

The following statistics are a compilation of the Virginia candidates who sat for the Auctioneers examination between January 1, 2005, and September 30, 2005. ♦



Renewal of License

Many licensees depend on the bonding company to send in bond continuation certificates at renewal time. Keep in mind that if we receive your money on time but we do not receive your bond until after your license has expired and lapsed, you will have to pay the late renewal or reinstatement fee before your license can be renewed or reinstated.



Disciplinary Actions

The following is a summary of actions taken against regulants by the Virginia Auctioneers Board. Although every effort is made to ensure that the information is correct, before making any specific decision based upon this information, you should check with the Board office to ensure accuracy.

File Number 2004-03395, Darell Craig Jamison

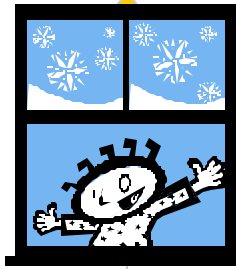
VIOLATION—In December 2003 Mr. Jamison entered into a contract which failed to contain required information such as name and address as well as date and time of auction and the date the owner was to be paid. **BOARD ACTION**—Consent Order imposing \$500.00 in fines as well as \$100.00 Board costs. **REGULATIONS VIOLATED**—(2002) 18 VAC 25-21-150.A; 18 VAC 25-21-150.C; and 18 VAC 25-21-110 **EFFECTIVE DATE**—January 20, 2005

File Number 2004-00242, Lloyd Meekins, Jr.

VIOLATION—In May of 2002, Mr. Meekins was fined \$250.00 by the North Carolina Auctioneers Licensing Board in connection with a sales transaction which demonstrated bad faith or dishonesty. **BOARD ACTION**—Consent Order with no monetary penalty imposed. **REGULATIONS VIOLATED**—(2002) 18 VAC 25-21-180.A.3 **EFFECTIVE DATE**—January 20, 2005

File Number 2004-00243, Dion Guy Abadi

VIOLATION—In August of 2002, Mr. Abadi was fined \$1,000.00 by the Texas Department of Licensing and Regulation for being found guilty of two ad-



vertising violations of the Texas Occupational Code and of the Texas Administrative Code. **BOARD ACTION**—Consent Order imposing a 5 year probation period of Mr. Abadi's auctioneer license. **REGULATIONS VIOLATED**—(2002) 18 VAC 25-21-180 **EFFECTIVE DATE**—January 20, 2005

File Number 2004-01481, Richard L. Peak

VIOLATION—In December of 2002, Mr. Peak was fined \$750.00 by the North Carolina Auctioneer Licensing Board for six violations of the North Carolina Administrative Code. **BOARD ACTION**—Consent Order imposing no monetary penalty. **REGULATIONS VIOLATED**—(2002) 18 VAC 25-21-180.A.3 **EFFECTIVE DATE**—January 20, 2005

File Number 2004-00245, William E. Dixon

VIOLATION—In a letter dated August 2002, from the North Carolina Auctioneer Licensing Board to Mr. Dixon, the Board found him guilty of violating three provisions of the North Carolina Administrative Code and two provisions of the North Carolina General Statutes. The Board offered Mr. Dixon the option of paying a \$1,250.00 fine or having his auctioneer license suspended for 300 days as the penalty for these violations. In an April 2004, telephone interview with North Carolina Board Executive Director, the Virginia Investigations Administrator determined that Mr. Dixon's license was suspended for 300 days from October 1, 2002, through July 27, 2003. This suspension confirmed Mr. Dixon's agreement that he had violated three provisions of the North Carolina Administrative Code and two provisions of the North Carolina General Statutes. **BOARD ACTION**—Consent Order imposing probation of Mr. Dixon's auctioneer license for a period of 2 years as well as a monetary penalty of \$250.00 **REGULATIONS VIOLATED**—(2002) 18 VAC 25-21-180 **EFFECTIVE DATE**—January 20, 2005

File Number 2004-02962, Zedd Auctioneers, Ltd.

VIOLATION—The auction firm entered into an



agreement to auction goods for an individual. The auction was held on December 3, 2003 and the firm did not disburse proceeds from the sale to the owner until February 2, 2004. Auctioneer regulations state that proceeds from an auction are to be disbursed to the owner no later than 30 days after the date of each auction. **BOARD ACTION**—Consent Order imposing a monetary penalty of \$550.00 **REGULATIONS VIOLATED**—18 VAC 25-21-110.2 and 18 VAC 25-21-150.C **EFFECTIVE DATE**—January 20, 2005

File Number 2004-01480, Richard Webb Vaughan

VIOLATION—In February of 2003, Mr. Vaughan was fined \$100.00 by the North Carolina Auctioneer Licensing Board for a violation of the North Carolina Administrative Code. **BOARD ACTION**—Consent Order imposing no monetary penalty. **REGULATIONS VIOLATED**—(2002) 18 VAC 25-21-180.A.3 **EFFECTIVE DATE**—January 20, 2005

File Number 2003-02960, Roy Lee Martin

VIOLATION—In March of 2003, Mr. Martin was fined \$1,000.00 by the North Carolina Auctioneer Licensing Board for violating ten provisions of the North Carolina General Statutes and five provisions of the North Carolina Administrative Code. Mr. Martin also had his license suspended for 2 years; however, the Board stayed the suspension and put Mr. Martin on probation for 2 years. **BOARD ACTION**—Consent Order imposing no monetary penalty. **REGULATIONS VIOLATED**—(2002) 18 VAC 25-21-180.A.3 **EFFECTIVE DATE**—January 20, 2005

File Number 2004-01482, James Marvin Winstead

VIOLATION—In April of 2003, Mr. Winstead was fined \$500.00 by the North Carolina Auctioneer Licensing Board for one violation of the North Carolina Administrative Code and one violation of the North Carolina General Statutes. **BOARD ACTION**—Consent Order imposing no monetary penalty. **REGULATIONS VIOLATED**—18 VAC 25-21-180.A.3 **EFFECTIVE DATE**—January 20, 2005

File Number 2004-00241, Vernon Wayne Wheat

VIOLATION—In October of 2002, Mr. Wheat was fined \$2,000.00 by the North Carolina Auctioneer Licensing Board for two violations of the North Carolina Administrative Code. **BOARD ACTION**—Consent Order imposing no monetary penalty. **REGULATIONS VIOLATED**—18 VAC 25-21-180.A.3 **EFFECTIVE DATE**—January 20, 2005

File Number 2005-01940, Frank E. Bolton

VIOLATION— In May of 2004, Mr. Bolton conducted an auction for an individual without a written contract. **BOARD ACTION**—Consent Order imposing a \$100.00 monetary penalty as well as \$100.00 in Board costs **REGULATIONS VIOLATED**—18 VAC 25-21-110 **EFFECTIVE DATE**—October 6, 2005

File Number 2005-02537, Lynn Howell Sheckler

VIOLATION—Ms. Sheckler's auction records were requested by two investigators from DPOR in April of 2005 for the previous four years. Ms. Sheckler stated that she had records from 1998 through 2000, but that she did not have records for auctions from 2002 through 2004. The clerk sheets were generated at the time of the auction and maintained on the computer. The computer crashed and Ms. Sheckler was unable to restore the records. In addition, Ms. Sheckler stated that the building flooded from time to time and that she kept all of the auction records on the floor of a storage room. The records were destroyed by the flood waters. Ms. Sheckler told the Board's agents that the flood was not related to Hurricane Isabel or any particular storm, but that the building flooded from time to time. One of the records that was able to be inspected showed no buyer's lists and failed to provide clerk sheets showing items sold including the buyer's numbers or names. **BOARD ACTION**—Consent Order imposing a \$650.00 monetary penalty as well as a 2 year probation period. **REGULATIONS VIOLATED**—(2002) 18 VAC 25-21-140, 18 VAC 25-21-150.C, 18 VAC 25-21-150.C, 18 VAC 25-21-150.E and 18 VAC 25-21-160 **EFFECTIVE DATE**—October 6, 2005

File Number 2005-01291, David Madden Quinn

VIOLATION—In July of 2003 a consignment agreement was executed for Mr. Quinn to auction six items. Mr. Quinn forwarded payment for four of the six items to the client in August of 2003, leaving 2 items (oriental rugs) unaccounted for. In July of 2004, one of the rugs was sent back to Mr. Quinn's client noting that the other rug had been lost. Mr. Quinn's failure to account for a client's property from August 2003 to July 2004 and misplacing a rug fails to demonstrate reasonable care in the performance of his auctioneering duties. **BOARD ACTION**—Consent Order imposing \$250.00 in monetary penalties as well as \$150.00 in Board costs. **REGULATIONS VIOLATED**—18 VAC 25-21-180.A.4 **EFFECTIVE DATE**—October 6, 2005

File Number 2004-00246, Kurt T. Earlywine

VIOLATION—In July of 2002, Mr. Earlywine was fined \$8,100.00 by the North Carolina Auctioneer Licensing Board for two violations of the North Carolina Administrative Code. **BOARD ACTION**—Final Opinion and Order imposing a monetary penalty of \$1,500.00. **REGULATIONS VIOLATED**—18 VAC 25-21-180.A.3 **EFFECTIVE DATE**—January 20, 2005

File Number 2003-02434, First Guarantee Credit

VIOLATION—In a stipulation agreement signed in February 2002, by its president, Azam M. Khan, First Guarantee Credit Corp consents to the entry of the Board's March 4, 2002, Final Decision and Order whereby First Guarantee Credit Corp agrees that it violated one provision of the Wisconsin Statutes and one provision of the Wisconsin Administrative Code. **BOARD ACTION**—Final Opinion and Order imposing no monetary penalty. **REGULATIONS VIOLATED**—18 VAC 25-21-180.A.3 **EFFECTIVE DATE**—January 20, 2005

File Number 2003-00439, Randy Andrew Fiel*

VIOLATION—Mr. Fiel held an auction for a client where many items did not sell at the first auction, he

referred to these items as "passes". He explained they would be put up again at a later auction. The client tracked the sale of these items and they were never sold nor were they returned. At the conclusion of all auctions, the client has not received a receipt or confirmation of sale for a total or approximately 1276 items, nor have any of the items been returned.

BOARD ACTION—Final Opinion and Order imposing monetary penalties of \$2,800.00 as well as revocation of license to be stayed provided there are no violations of the Board's regulations or any auction regulation in any state where licensed for the next five (5) years and revision of contract so it complies with the Board's regulation and submit a copy to the Board within 30 days of the entry of the Order.

REGULATIONS VIOLATED—18 VAC 25-21-110 (5 Counts); 18 VAC 25-21-150.E; 18 VAC 25-21-160 (4 Counts); 18 VAC 25-21-120.A (3 Counts); and 18 VAC 25-21-180.A.3 **EFFECTIVE DATE**—January 20, 2005

*This matter is currently under appeal

File Number 2004-04092, Leon W. Strosnider

VIOLATION— Mr. Strosnider accepted a bid from an auction participant who did not have the means to pay for the goods on the day of the auction. He did issue an I. O. U slip for payment. Mr. Strosnider did collect commission on the I. O. U. slip in which the goods were never paid for. This person in which the I. O. U. slip was issued did not bid on the lamp, she only asked what the purchase price of the lamp would be outside of the auction. No sale was ever completed. However, an I. O. U. slip was issued at the end of the auction for this lamp in the amount of \$500.00. Mr. Strosnider also had another participant in this auction who bid on and won a bookcase for \$210.00. Mr. Strosnider issued an I. O. U. to the same participant who wanted to purchase the lamp. The sale of the bookcase was never completed with its rightful purchaser. **BOARD ACTION**—Final Opinion and Order imposing \$1,300.00 in monetary penalties **REGULATIONS VIOLATED**—18 VAC 25-21-110.1.a; 18 VAC 25-21-110.2; 18 VAC 25-21-110.6; 18 VAC 25-21-110.7; and 18 VAC 25-21-180.A.4 **EFFECTIVE DATE**—January 20, 2005 ♦

CALENDAR OF EVENTS

January 12, 2006	Auctioneers Board Meeting	July 6, 2006	Auctioneers Board Meeting
April 13, 2006	Auctioneers Board Meeting	October 5, 2006	Auctioneers Board Meeting

Please note that meetings usually begin at 10:00 a.m. at the Department offices located at 3600 West Broad Street, Richmond, Virginia.

AUCTIONEERS BOARD MEMBERS

<u>Auctioneer Members</u> J. Hartwell Perkinson* Mark T. Motley ** George T. Garten	<u>Public Members</u> Amy R. Pence E. Joanne Wang
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* Board President, ** Board Vice-President

IMPORTANT TELEPHONE NUMBERS

Licensing or Applications	(804) 367-8512 or -8506	Examination Vendor (PSI)	(800) 733-9267
Board Administration	(804) 367-8514	Complaints	(804) 367-8504

IMPORTANT WEB SITE AND E-MAIL ADDRESSES

Dept. Web Site	http://www.dpor.virginia.gov	Board E-mail	auctioneers@dpor.virginia.gov
PSI	www.psiexams.com	Town Hall	www.townhall.state.va.us